



TOOLS TO REVITALIZE CALIFORNIA COMMUNITIES: CDIAC SPONSORS SESSION AT 2002 CALED CONFERENCE

Linda G. Louie

CDIAC Continuing Education and Outreach Unit

On April 5, 2002, the California Debt and Investment Advisory Commission (CDIAC) was pleased to host the inaugural session of its economic development workshop series entitled *Tools To Revitalize California Communities*. The one and one-half hour panel session was held in conjunction with the California Association for Local Economic Development (CALED) Annual Conference at the Manchester Grand Hyatt in San Diego.

This workshop represented the first in a series of continuing education and outreach programs that CDIAC will offer in the coming years to provide local government officials with the tools to assist them with community revitalization. The tools to be presented are applicable to communities that have the greatest demand for community re-building. The target audience includes local government officials, as well as economic development professionals and their staff.

At the CALED session, a well-rounded panel of experts highlighted several programs available to assist local governments. The program began with a welcome and introduction by Lisa M. Harris, Executive Director for CDIAC. Joining Ms. Harris was Leonard Berry of The Chapman Company who set the stage for the program by describing the functions of a conduit issuer and the roles of the various professionals on a conduit-financing project.

The first program featured at the session was presented by the California Industrial Development Financing Advisory Commission (CIDFAC) in the State Treasurer's Office. Joanie Jones-Kelley, Executive Director of CIDFAC, discussed how it assists California manufacturing businesses in funding capital expenditures for acquisitions or expansions through the use of Industrial Development Bonds (IDBs). The program allows businesses to borrow funds at competitive rates through the issuance of tax-exempt bonds enhanced by a letter of credit. IDBs are available for industrial projects, manufacturing, energy development projects, and

processed recycled products and materials. Ms. Jones-Kelly further explained how the process for accessing the funds has been streamlined to make it more available for local governments to access. (See article on page 6 of *DEBT LINE* for additional information on the IDB Program.)

The second program presented was the California Public Employee Retirement System's (CalPERS) California Initiative. CalPERS Portfolio Manager Joncarlo Mark supplied session attendees with information on a valuable program that began in May 2001, when the CalPERS Investment Committee approved an initial allocation of \$475 million to 11 investment partners to invest in traditionally underserved markets primarily, but not exclusively, located in California. The objective is to discover and invest in opportunities that may have been bypassed or not reviewed by other sources of investment capital. Equity investments are a primary focus, and synergistic investments involving real estate and/or debt also will be considered. Mr. Mark shared with the audience how the investment managers selected for the California Initiative deploy their capital and work closely with their portfolio companies. Ultimately, these value-added relationships should result in the creation or expansion of healthy businesses to bring long-term economic growth and vitality to many areas across the state.

The *Tools to Revitalize California Communities* panel ended with a brief presentation by Bruce Kern, Executive Director of the Economic Development Alliance for Business (EDAB) based in Oakland, Alameda County. Mr. Kern shared with the audience the need to communicate broadly and market programs aggressively. He also highlighted EDAB's primary strategies for economic development through forums for businesses, local government and special districts, and educational institutions. He presented information on EDAB's goals to provide resources in the community and encourage financial institutions to support diverse housing and mixed-use investments within urban areas. He explained that outreach to employers and analysis of occupational and industrial trends in the East Bay are steps that EDAB takes to promote economic development, and that EDAB provides technical assistance and promotion for business attraction and retention in the East Bay community.

Over 60 conference participants joined CDIAC for this informative session which also provided an enjoyable opportunity for CDIAC and its speakers to meet with many economic development public and private professionals.

If you would like more information on the conference session, please contact Lisa M. Harris, CDIAC Executive

Director, at (916) 653-3269 and visit CDIAC's website at www.treasurer.ca.gov/cdiac for copies of the presenters' handouts.

Future dates for Tools to Revitalize California Communities workshops are listed below:

Tools to Revitalize California Communities

CDIAC Conference Sponsors	Location	Date
League of California Cities	Monterey	July 24-26
The Bond Buyer	San Francisco	September 11
International Economic Development Council	Oakland	September 22-25
CA State Association of Counties	Pasadena	November 19

This Offprint was previously published in DEBT LINE, a monthly publication of the California Debt and Investment Advisory Commission (CDIAC). CDIAC was created in 1981 to provide information, education, and technical assistance on public debt and investment to state and local public officials and public finance officers. DEBT LINE serves as a vehicle to reach CDIAC's constituents, providing news and information pertaining to the California municipal finance market. In addition to topical articles, DEBT LINE contains a listing of the proposed and final sales of public debt provided to CDIAC pursuant to Section 8855(g) of the California Government Code. Questions concerning the Commission should be directed to CDIAC at (916) 653-3269 or, by e-mail, at cdiac@treasurer.ca.gov. For a full listing of CDIAC publications, please visit our website at <http://www.treasurer.ca.gov/cdiac>.

All rights reserved. No part of this document may be reproduced without written credit given to CDIAC. Permission to reprint with written credit given to CDIAC is hereby granted.